

REMARKS

Entry of the present Amendment and reconsideration of the claims is requested.

Status of the Claims

Claims 3-84 are pending in the application.

Claims 3-84 stand rejected.

Rejections Under 35 U.S.C. § 102(e)

Claims 3-37, 42-76, 81, and 83 are rejected under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent No. 6,226,618 to Downs et al. (hereinafter "Downs").

The Examiner states that Downs teaches all of the limitations of the above claims by disclosing a secure digital electronic content delivery system, a method, and computer readable medium for distributing content to a user system. The content is selected via lists, catalogues or in response to promotional offers through a retail web module and site. Additionally, the Examiner states that Downs discloses the distribution of audio, programs, multi-media, video or other types of content and that Downs teaches a clearing house responsible for granting access permissions, the monitoring of content usage and the billing and invoicing. Further, the Examiner states that Downs teaches preparation and management of content from content providers

via a work flow manager and the use of an end user player application. Furthermore, the Examiner states that Downs teaches an electronic contract that governs usage conditions and license control between content providers, electronic stores, consumers, and the clearing house responsible for usage condition validations. The Examiner states that Downs also teaches special offers or candidate offers from content providers and/or retailers, promotion thereof to end users and the validation by the clearing house.

The Applicants disagree that Downs shows all of the features of the claimed invention. Nevertheless, Applicants respectfully traverse the rejection in this Response by submitting a Declaration under 37 C.F.R. § 1.131 (along with documentary evidence in form of Exhibit 1). The Declaration, signed by all of the Applicants, states that the Applicants had completed the invention as claimed in the present application prior to the earliest filing date of Downs.

Exhibit 1 of the Declaration describes the entire architecture for the system of Applicant's claims and describes the claimed features in detail. Exhibit 1 clearly describes each piece of the system, including the content catalog, the retail web site, the clearinghouse, the consumer music player, and the reference services. Diagram 1 on page 9 shows the method as described in claim 3, and the methods in claims 4-37 are also described throughout Exhibit 1. Claims 4-37 also all depend from claim 3 and thus contain all of its limitations per 35 U.S.C. § 112, fourth paragraph. Additionally, MPEP § 2131 states that a "claim is anticipated only if each and every

element as set forth in the claim is found... in a single prior art reference." Thus, if the elements of claim 3 are antedated, the reference is not prior art, and all of the claims have elements not in the prior art, all of the independent and dependent claims are allowable.

Likewise, the subject matter of independent Claims 42, 81 and 83 (system and apparatus claims) are found in Exhibit 1 of the Declaration. Claims 43-76 depend from claim 42 and thus contain all of its limitations. Thus, claim 42 and all of its dependent claims are antedated, and all of these claims are allowable.

Additionally, Appendix A of Exhibit 1 discloses the system and apparatus in detail. Appendix A shows that Applicants were in full possession of the system and apparatus of the invention before the filing date of the Downs reference.

Therefore, Applicants respectfully request that the 35 U.S.C. § 102(e) rejection based on Downs be withdrawn.

Rejections Under 35 U.S.C. § 103(a)

Claims 38-41, 77-80, 82, and 84 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Downs in view of a Business Wire article entitled *NetWave Inc.com™ Kicks Off QuickBuy™ Enabling Faster, Easier, Safer E-Business* (hereinafter "BW Article").

The Examiner states that Downs teaches an open system architecture, use of the internet and end user or consumer devices comprising personal computer

internet appliances and e-mail as a means for retailers to send product selections to the consumer. However, the Examiner admits that Downs does not teach sending a content reference from a first consumer to a second consumer. The Examiner states that the BW Article teaches visual link object technology that enables merchants to present their goods as portable and that the buyable items can be sent via e-mail from one customer to another. The Examiner contends that it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify the system and method of Downs to incorporate portable objects as taught by the BW Article.

The Applicants respectfully traverse the above rejection by stating that Downs does not show each and every feature of the claims, nor would it be obvious to achieve the claims by borrowing from the BW Article. In any case, the Applicants completed the invention as claimed in the present application before August 13, 1998, which was prior to the filing date of Downs and also prior to the publication date of the BW Article. See the accompanying Declaration under 37 C.F.R. § 1.131. The BW article was published on October 7, 1998. The Declaration states that the invention was made prior to August 13, 1998. The invention was fully conceived before the effective date of both references, and it was diligently reduced to practice, e.g. by filing the present application.

The method of claim 38, said to be obvious from Downs and BW, which described in Exhibit 1 of the Declaration, e.g. on pages 24 and 25 which show a

method of sending content from a first consumer to a second consumer and allowing that second consumer to select the item per the transmitted content. The method of claims 39-41 are also described within Exhibit 1. Claims 39-41 also depend from claim 38 and contain all of its limitations per 35 U.S.C. § 112, fourth paragraph. Additionally, the Federal Circuit has stated in *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988) that "[d]ependent claims are non obvious under section 103 if the independent claims from which they depend are nonobvious." Thus, if the elements of claim 38 are antedated so the dependent claims, and all of the independent claims are allowable.

Independent claims 77 and dependent claims 78-80 define a system that approximately matches the limitations of the method of claim 38. Like claim 38, claim 77 and its dependent claims are antedated and allowable.

Independent claims 82 and 84 are apparatus claims that approximately match the limitations of claim 38. Again, like claim 38, these claims are antedated and allowable.

For all of these reasons, the Applicants respectfully request that the 35 U.S.C. § 103(a) rejection be withdrawn.

CONCLUSION

In view of the above remarks and Declaration, it is respectfully requested that the application be reconsidered and that all pending claims be allowed and the case pass to issue.

If there are any other issues which the Examiner believes could be resolved through a Supplement Response or an Examiner's Amendment, the Examiner is respectfully requested to contact the undersigned at the telephone number listed below.

Respectfully submitted,



Louis J. Del Giudice

Reg. No. 47,522

Agent for Applicants

DARBY & DARBY, P.C.
Post Office Box 5257
New York, NY 10150-5257
Phone (212) 527-7700